
MEMORANDUM



TO: Mayor Walker and Councilors
FROM: M McPherson, City Administrator
SUBJECT: **Bi-Weekly Administrator's Report**
DATE: April 11, 2022

I have the following observations and information to share from the last two weeks:

Finance

The audit prep help temporary staff will start April 18. We are preparing the technology for them to access the information that they need.

A schedule has been prepared for implementation of the new Finance software. The transition will be in July with various trainings occurring in July, August and October (time entry).

Grants

We are still waiting on the results from our grant application to the Federal EDA for the Business Park infrastructure. Work on preparing the bid documents has been paused at this time. WSB is looking at the BDPI funding pool, so we may apply for that money as well.

Legislation

I have been monitoring legislation that may impact the City. Two hot-button issues are LGA and PFAs. Attached is an LMC PowerPoint that provides an overview of the various bills and revisions to the formula that are being considered in the House and Senate. At a minimum, if nothing changes, we should be held harmless for 2023. This is a snip of the April 7 CGMC run, the first column is the current formula, the second is the 2023 House Bill with additional \$34M added in, and the third column is the 2023 House Bill with an additional \$90M added.

| | | | |
|-----------|-------------|-------------|-------------|
| PLAINVIEW | \$863,594 | \$889,343 | \$960,304 |
| PRINCETON | \$1,069,581 | \$1,117,041 | \$1,241,229 |
| PROCTOR | \$1,107,827 | \$1,128,736 | \$1,173,640 |

The next snip is from the unmet needs calculation (see the attached Exhibit) and new formula:

| | | | |
|-----------|-------------|-------------|-------------|
| PLAINVIEW | \$863,594 | \$1,306,897 | \$1,721,931 |
| PRINCETON | \$1,069,581 | \$1,786,226 | \$2,574,132 |
| PROCTOR | \$1,107,827 | \$1,274,489 | \$1,655,597 |

The MPCA issued their list of facilities that are included in the PFAs monitoring plan. At this point, no industrial users nor the City's wastewater plant have made the list. The Elk River Landfill, St. Cloud Regional Airport, and Tri-County Organics in St. Cloud did make the list.

Other topics being considered by the legislature include earned sick and safe time (1 hour of paid time per every 30 hours worked), changes to the PERA Police & Fire Plan (rate of return lowered, reduced employee contribution, COLA increase), changes to liquor laws (multiple provisions), residential construction (modu-

lar building statewide, change in valuation basis), and an expansion of the medical exception to the Open Meeting Law. I will keep you updated as to what is included in the various omnibus bills.

Personnel

The search for a Finance Director continues. I am reworking the job posting for LMC and will also request assistance from PUC General Manager Butcher to post through his associations. I have sent personal invites to apply through both Indeed and Zip Recruiter; while I did receive an expression of interest from two job seekers, neither have yet to apply.

Miscellaneous Correspondence/Information

See the attachments for various thank-you's, community events and information from Sherburne County regarding taxes.

Upcoming Meeting/Event Reminders

- PUC Meeting – April 27 followed by a tour of PUC Facilities
- CGMC Summer Conference – July 27 to 29, Red Wing
- CGMC Fall Conference – November 17-18, Alexandria

Exhibit – New LGA Need Factors



PROPOSED LOCAL GOVERNMENT AID (LGA) FORMULA NEED FACTORS

The Coalition of Greater Minnesota Cities in partnership with the League of Minnesota Cities, Metro Cities, the Association of Small Cities, and others have been working since October 2021 to evaluate the performance of the current Local Government Aid (LGA) formula and to determine what (if any) changes might be desirable.

Below are the new need factors in the proposed LGA formula compared to the current need factors.

SMALL CITIES (POPULATION 1–2,499)

| CURRENT NEED FACTORS | NEW NEED FACTORS |
|------------------------------|-------------------------|
| Population | Logarithm of Population |
| Revenue need capped at \$610 | No cap on revenue need |

MEDIUM CITIES (POPULATION 2,500–9,999)

| CURRENT NEED FACTORS | NEW NEED FACTORS |
|-------------------------|------------------------------------|
| % Pre-1940s Housing | % Pre-1940s Housing |
| Peak Population Decline | Peak Population Decline |
| Average Household Size | % C/I & Utility Prop. Market Value |
| Sparsity Factor | |

LARGE CITIES (POPULATION 10,000+)

| CURRENT NEED FACTORS | NEW NEED FACTORS |
|---------------------------|------------------------------------|
| % Pre-1940s Housing | % Pre-1940s Housing |
| % Housing built 1940-1970 | Peak Population Decline |
| Jobs per capita | % C/I & Utility Prop. Market Value |
| Sparsity Factor | % Population Aged 65+ |